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August 1, 2008

California Air Resources Board Attention: Office of Climate Change 1001 "I" Street P.O. Box 2815 Sacramento, CA 95812

SUBJECT: Comment Letter - Climate Change Draft Scoping Plan

The Orange County Sanitation District (OCSD) appreciates the opportunity to review and comment on the California Air Resources Board's (CARB) *Climate Change Draft Scoping Plan* (Plan). OCSD commends CARB for developing such a forwarding thinking strategy for implementing Assembly Bill 32: *California Global Warming Solutions Act of 2006* (AB 32). OCSD strongly believes that affording stakeholders the opportunity to provide practical and technical expertise and input on this Plan will assist CARB in developing a reasonable, realistic and well vetted strategy for effectively implementing the goals of AB 32.

OCSD is a public agency responsible for collecting, treating and managing wastewater for 2.4 million residents and businesses within northern and central Orange County, California. OCSD operates two regional wastewater treatment plants, over 650 miles of trunk and subtrunk sewer lines, sixteen pump stations and an ocean outfall discharge system. OCSD is keenly aware of the potential effects on water resources from climate change and the role that water and wastewater utilities can play in mitigating green house gas (GHG) emissions.

OCSD and other California utilities are already responding to the requirements mandated under AB 32. For example, in a proactive approach to meeting future AB 32-related regulatory requirements, OCSD and numerous other California wastewater agencies have formed the California Wastewater Climate Change Group (CWCCG). CWCCG has made efforts to identify the existing methodologies for estimating GHG emissions from municipal wastewater treatment plant (WWTP) processes, which include both domestic and industrial wastewater that is treated by a WWTP. The CWCCG is focusing on developing estimation methods for CH₄ and N₂O emissions from WWTP processes and making recommendations, which build on the existing methodologies, for developing a more accurate and appropriate protocol for estimating both facility and statewide WWTP GHG emissions.



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Comments

General

There are numerous other state and federal agencies which are already in the process of addressing climate change. In order to avoid such unintended consequences as inconsistencies with other climate change program policies and practices, adverse impacts to other environmental programs (i.e., advanced wastewater treatment which requires increased energy usage), and other duplicative efforts, OCSD requests that CARB coordinate with these agencies and, when possible, align the Plan with their programs. In California, we have already seen early statewide efforts become confounded by the State's shift to regional activities. The next expectation is that portions of the State program will shift to address national activities. This frustrates local governments as the regulatory environment fluctuates continually.

OCSD recommends that CARB provide clarification on whether it intends to implement the actions proposed in this Plan on a standard statewide basis or vary its approaches depending on geopolitical boundaries (e.g. air district or region), or geographic boundaries (e.g. central valley, coastal). OCSD suggests that CARB provide a statement in the Plan specifying the applicability of any proposed measures to only certain areas of the State. OCSD hopes that CARB will consider the socio-economic, topographical and hydrological differences of the unique areas within the state that may impact the success of the Plan's recommended measures and allow adjustments to policies to better align with local circumstances when warranted. This approach will afford stakeholders the flexibility to reduce GHG emissions within their jurisdiction in the most effective manner.

OCSD is concerned about the potential costs associated with implementing this Plan, and more specifically, what the financial impact will be on the wastewater industry. OCSD recommends that CARB further refine the actions established in this Plan with clear deliverables and assess the financial impacts of meeting those deliverables. CARB can then determine if a cost and benefit analysis should be conducted on any deliverables that require or could potentially trigger major changes in the management, processing or regulatory oversight of water and wastewater utilities.

OCSD recommends that CARB prioritize the proposed measures based on timing, ease of implementation, and quantifiable results to ensure the greatest return on investment. Although the Plan documents key measures, it is not clear which measures are a priority. Prioritization will also help stakeholders understand what CARB anticipates to be the primary or most paramount issues needing to be addressed. With ever increasing budget constraints, it would be useful to determine which measures should be



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implemented immediately and which can wait, in case a lack of resources preclude implementation of the entire Plan.

OCSD strongly recommends that CARB base any new polices and/or regulations that develop as a result of the Plan on sound science. OCSD seeks to ensure that policies are developed utilizing the most current, high quality data and proven technologies, as well as with a consideration of both the costs of implementing policies and regulation changes as balanced with the benefits derived from those changes.

OCSD supports CARB's decision to review and revise the Plan on a five year basis. Such an approach will ensure that new science and technologies related to green house gas emission reductions are incorporated into CARB's strategy.

Finally, OCSD understands that the Plan is focused on reducing GHG emission pursuant to AB 32 requirements. However, even if California meets all the targets established under this Plan, it will not significantly reduce the worldwide level of GHG emissions nor the affects of climate change unless the rest of the world also implements similar GHG reduction measures. OCSD recommends that CARB, as part of their overall strategy on climate change, also focus on mitigating the impacts of climate change. OCSD and other California utilities are already researching ways to address these potential impacts on their facilities and planning climate change mitigation measures.

II. Preliminary Recommendation

OCSD recommends thatwater conservation be added as a *Recommended Greenhouse Gas Reduction Measure* under Table 2. Water conveyance, treatment and use account for approximately 20% of energy use in California. There should be a goal and recommended reduction strategies for water conversation. The Department of Water Resources and the State Water Resource Control Board, county resource departments, and water/wastewater agencies would be able to provide further expertise and input on this measure.

8. Water

OCSD recommends CARB allow some flexibility on compliance with emission and air quality standards as facilities adjust to climate change, since there are significant challenges that water managers will likely face as air and water temperatures warm. Wastewater treatment facilities are typically located in low lying areas near water bodies. This allows the local agencies to take advantage of gravity to the greatest extent



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possible in conveying and treating wastewater. As such, these agencies are at the greatest risk from sea level rise caused by climate change.

OCSD would like CARB to note that water and wastewater utilities may need to move or improve pipelines and other structures as sea levels rise. Moving, abandoning and securing old facilities and constructing new lines will cause additional environmental constraints and may require certain regulatory flexibility related to air quality in order to complete these types of projects. In addition, OCSD wants to convey to CARB that warmer water and air temperatures will impact the wastewater industry by creating higher emissions and odors from the collection system and the treatment plants. This will impact the treatment of wastewater and the protection of infrastructure. For example, there will be increased corrosion in the entire system. OCSD recommends that CARB consider these climate change impacts that wastewater facilities will have to face and have a policy to allow regulatory relief in certain instances.

15. Recycling and Waste

OCSD recommends CARB consider utilization of wastewater by-products as a method of energy generation. OCSD suggests that a greater emphasis be placed on the practice of capturing methane gases produced from wastewater treatment processes to produce energy. OCSD is in the process of developing a fuel cell demonstration project that will use the methane gas produced by our facilities anaerobic sludge digesters and convert it to hydrogen that someday can be used to fuel hydrogen vehicles. OCSD anticipates constructing a hydrogen fueling station at our facility to provide an additional source of hydrogen fuel for the general public. CARB should encourage this practice and ensure regulations of this activity are practical, especially related to air emission standards. OCSD believes it would be beneficial for CARB to coordinate with the regional Air Quality Management Districts on any proposed measures specified within the Plan that relate to renewable energy. A recent rule from the South Coast Air Quality Management District restricted OCSD from utilizing methane gas produced from our solids processing as a renewable energy source. OCSD instead flared some of the methane gas, thus wasting a valuable source of renewable energy and creating additional air emissions.

16. Agriculture

OCSD requests that CARB include within the Plan encouragement or incentives for using biosolids and compost (including biosolids compost) in agricultural practices. Biosolids are the solids settled and treated through the wastewater treatment process. When used through land application or composting with other materials, biosolids create



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a valuable amendment rich in nitrogen and other nutrients that improves the quality of the soil and the growth of plants. OCSD currently produces 650 dry tons of biosolids per vear and must find effective ways to manage this material. The use of biosolids in agriculture provides an effective way to recycle a wastewater by-product while providing an alternative to the use of manufactured fertilizers. Most importantly, it is clear that soils, with its ability to sequester twice as much carbon as plants, will be an important strategy for mitigating the impacts from climate change. Using compost from recycled materials, such as biosolids and green waste, helps to increase the carbon content of soils, which in turn increases water-holding capacity, and reduces agricultural runoff, thus improving water quality. Further, it increases plant productivity leading to additional amounts of carbon sequestration. The United States Environmental Protection Agency, as well as California's Integrated Waste Management Board, in support of a Zero Waste California, has developed procurement guidelines supporting the use of compost from recycled products. In addition, OCSD requests that the Plan provide encouragement for biosolids management practices that reduce the hauling distances, thus reducing greenhouse gas emissions from truck traffic.

OCSD further recommends CARB promote climate-friendly agricultural practices as part of their AB 32 implementation measures for agriculture. OCSD understands that changes in agricultural practices by expanding use of manure, biosolids or other organic residuals have the potential to reduce nitrous oxide releases. OCSD recommends that CARB actively promote this activity through allocating the appropriate resources for and outreach to the appropriate state and local governments to encourage the use of biosolids residuals in agricultural practices.

In closing, OCSD would like to thank you for your consideration of our comments on CARB's *Climate Change Draft Scoping Plan*. If you have any questions, please feel free to contact me at (714) 593-7450. The staff person working on this issue is Karen Baroldi and she may be reached at (714) 593-7461.

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